



January 29, 2015

Dr. Fitzgerald Hill, President
Arkansas Baptist College
1621 Dr. Martin Luther King Drive
Little Rock, AR 72202

Certified Mail
Return Receipt Requested
7013 2630 0001 8220 7862

RE: **Final Program Review Determination**
OPE ID: 00108700
PRCN: 201240628047

Dear Dr. Hill:

The U.S. Department of Education's (Department's) Dallas School Participation Division issued a program review report on October 12, 2012 covering Arkansas Baptist College's (ABC's) administration of programs authorized by Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs), for the period of June 1, 2010 through June 30, 2012. ABC's final response was received on January 22, 2015. A copy of the program review report (and related attachments) and ABC's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by ABC upon request. Additionally, this Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

Purpose:

Final determinations have been made concerning all of the outstanding findings of the program review report. The purpose of this letter is to: (1) identify liabilities resulting from the findings of this program review report, (2) provide instructions for payment of liabilities to the Department, and (3) notify the institution of its right to appeal.

The total liabilities due from the institution from this program review are \$5,855.49.

This final program review determination contains detailed information about the liability determination.

Protection of Personally Identifiable Information (PII):

PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth). The loss of PII can result in substantial harm, embarrassment, and inconvenience to individuals and may lead to identity theft or other fraudulent use of the information. To protect PII, the

findings in the attached report do not contain any student PII. Instead, the findings reference students only by a student number created by Federal Student Aid. The student numbers were assigned in Appendix A - Student Sample and Appendix F. These appendices were encrypted and sent separately to the institution via e-mail.

Appeal Procedures:

This constitutes the Department's FPRD with respect to the liabilities identified from the October 3, 2012 program review report. If ABC wishes to appeal to the Secretary for a review of monetary liabilities established by the FPRD, the institution must file a written request for an administrative hearing. The Department must receive the request no later than 45 days from the date ABC receives this FPRD. An original and four copies of the information ABC submits must be attached to the request. The request for an appeal must be sent to:

Ms. Mary E. Gust, Director
Administrative Actions and Appeals Service Group
U.S. Department of Education
Federal Student Aid/PC
830 First Street, NE - UCP3, Room 84F2
Washington, DC 20002-8019

ABC's appeal request must:

- (1) indicate the findings, issues and facts being disputed;
- (2) state the institution's position, together with pertinent facts and reasons supporting its position;
- (3) include all documentation it believes the Department should consider in support of the appeal. An institution may provide detailed liability information from a complete file review to appeal a projected liability amount. Any documents relative to the appeal that include PII data must be redacted except the student's name and last four digits of his / her social security number (please see the attached document, "Protection of Personally Identifiable Information," for instructions on how to mail "hard copy" records containing PII); and
- (4) include a copy of the FPRD. The program review control number (PRCN) must also accompany the request for review.

If the appeal request is complete and timely, the Department will schedule an administrative hearing in accordance with § 487(b)(2) of the HEA, 20 U.S.C. § 1094(b)(2). The procedures followed with respect to ABC's appeal will be those provided in 34 C.F.R. Part 668, Subpart H. **Interest on the appealed liabilities shall continue to accrue at the applicable value of funds rate, as established by the United States Department of Treasury, or if the liabilities are for refunds, at the interest rate set forth in the loan promissory note(s).**

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. § 668.24(e)(1), (e)(2), and (e)(3).

The Department expresses its appreciation for the courtesy and cooperation extended during the review. If the institution has any questions regarding this letter, please contact Michael Williams at 214-661-9517. Questions relating to any appeal of the FPRD should be directed to the address noted in the Appeal Procedures section of this letter.

Sincerely,

(b)(6)

Cynthia Thornton, Director
Dallas School Participation Division

cc: Phillip Rodgers, Financial Aid Administrator
North Central Association of Colleges and Schools, the Higher Learning Commission
Arkansas State Department of Education

Enclosures:

Protection of Personally Identifiable Information
Final Program Review Determination Letter (including Appendices)

PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION

Personally Identifiable Information (PII) being submitted to the Department must be protected. PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth).

PII being submitted electronically or on media (e.g., CD-ROM, floppy disk, DVD) must be encrypted. The data must be submitted in a .zip file encrypted with Advanced Encryption Standard (AES) encryption (256-bit is preferred). The Department uses WinZip. However, files created with other encryption software are also acceptable, provided that they are compatible with WinZip (Version 9.0) and are encrypted with AES encryption. Zipped files using WinZip must be saved as Legacy compression (Zip 2.0 compatible).

The Department must receive an access password to view the encrypted information. The password must be e-mailed separately from the encrypted data. The password must be 12 characters in length and use three of the following: upper case letter, lower case letter, number, special character. A manifest must be included with the e-mail that lists the types of files being sent (a copy of the manifest must be retained by the sender).

Hard copy files and media containing PII must be:

- sent via a shipping method that can be tracked with signature required upon delivery
- double packaged in packaging that is approved by the shipping agent (FedEx, DHL, UPS, USPS)
- labeled with both the "To" and "From" addresses on both the inner and outer packages
- identified by a manifest included in the inner package that lists the types of files in the shipment (a copy of the manifest must be retained by the sender).

PII data cannot be sent via fax.

Prepared for

Arkansas Baptist College

Federal Student
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U.S. DEPARTMENT OF EDUCATION

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OPE ID: 00108700

PRCN: 201240628047

Prepared by

U.S. Department of Education

Federal Student Aid

Dallas School Participation Division

Final Program Review Determination

January 29, 2015

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A. Institutional Information

Arkansas Baptist College
1621 Dr. Martin Luther King Dr.
Little Rock, AR 72202

Type: Private, Non Profit

Highest Level of Offering: Bachelor's Degree

Accrediting Agency: North Central Association of Colleges and Institutions (CIHE)

Current Student Enrollment: 1617

% of Students Receiving Title IV: 88%

Title IV Participation (PEPS Funding): 2012-2013

Federal Pell Grant Program	\$ 4,157,188
Federal Supplemental Educational Opportunity Grant (FSEOG) Program	\$ 63,646
Federal Work Study	\$ 50,392
Federal Direct Loan - Subsidized	\$ 3,191,418
Federal Direct Loan - Unsubsidized	\$ 4,448,224
Federal Parent Loan for Undergraduate Students (PLUS)	\$ 225,037

Default Rates FFEL/DL:	2011 – 31.1%
	2010 – 27.4%
	2009 – 29.8%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Arkansas Baptist College (ABC) from July 23, 2012, to July 25, 2012. The review was conducted by Mr. Michael G. Williams and Ms. Jackie Shipman.

The focus of the review was to determine ABC's compliance with the statutes and federal regulations as they pertain to the institution's administration of Title IV programs. The review consisted of, but was not limited to, an examination of ABC's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and fiscal records.

A sample of 15 files was identified for review from the 2010-2011 award year. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for the award year. Appendix A lists the names and social security numbers of the students whose files were examined during the program review. A program review report was issued on October 3, 2012.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning ABC's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve ABC of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

C. Findings and Final Determinations

Resolved Findings

ABC has taken the corrective actions necessary to resolve findings # 1, 2, 3, 6, 7, 8, 9, 10, 11 and 12 of the program review report. Therefore, these findings are closed. ABC's written response to the program review report is included as Appendix C. Findings requiring further action by ABC are discussed below.

Resolved Finding with Comments

The following program review findings have been resolved by the institution, and may be considered closed. These findings are included solely for the purpose of discussing resolution.